



September 5, 2003

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W., TW-A325
Washington, D.C. 20554

Re: Choice Coalition Emergency Joint Petition for Stay, CC Docket Nos. 01-338,
96-98, 98-147; WC Docket Nos. 03-167, 03-138

Dear Ms. Dortch:

MCI submits this letter in support of the Choice Coalition's filing that the ILECs' existing line splitting processes are not sufficient to support effective competition.¹ Specifically, the ILECs have not modified their OSS to support line splitting arrangements required by the FCC's Triennial Review Order and prior FCC rules.² This summer, MCI launched DSL service bundled with its Neighborhood product using assets acquired from Rhythms NetConnections. Recently, MCI entered into a partnership agreement with Covad Communications to expand our ability to offer DSL to consumers and small businesses. To add DSL to MCI's Neighborhood product, MCI must engage in line splitting arrangements. At present, however, provision of DSL through line splitting continues to be hampered by inadequate OSS.³

MCI has experienced line splitting problems in many regions, including, for example, the problem discussed by Covad with respect to the manual order process in BellSouth. But MCI focuses here on the problems in the SBC region, because these are the most severe and because MCI already has documented them in its filings in response to SBC's recent section 271 applications.

As MCI has explained in response to SBC's section 271 applications, SBC's line splitting processes in the region are severely deficient. The most fundamental deficiencies in SBC's

¹ See Emergency Joint Petition for Stay by the Choice Coalition, CC Docket No. 01-338 (FCC filed Aug. 27, 2003).

² *In re Review of Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers* ("Triennial Review Order"), CC Docket No. 01-338 ¶¶ 251, 252 and n.749 (FCC rel. Aug. 21, 2003).

³ Although the Bells have touted the section 271 Orders as evidence that their line splitting processes are acceptable, *see* Joint Opposition to the Choice Coalition's Petition for Stay, CC Docket No. 01-338 (FCC filed Sept. 3, 2003), MCI's launch of line splitting has revealed problems that were not apparent at the time of prior section 271 evaluations.

processes stem from its decision to treat line splitting orders for UNE-P customers as orders for new loops and ports. By forcing CLECs to disconnect the UNE-P arrangement and reconnect it as a separate Unbundled Loop and a separate Unbundled Port, SBC creates additional work for CLECs, raises costs, and increases the risk to the customer of loss of dial tone, loss of features, and perhaps E911 address errors. SBC could resolve the problems described below simply by treating line splitting customers as the UNE-P customers they are. Lichtenberg IL-IN-OH-WI Decl. ¶ 4 (Tab 1 to Comments of MCI, WC Docket No. 03-167 (FCC filed Aug. 6, 2003)).

First, perhaps the most significant of all of the flaws in SBC's process is SBC's obstinate refusal to routinely reuse the customer's existing loop when a line splitting customer decides to drop DSL. When a customer drops DSL, SBC should simply remove the cross connect between the customer's existing loop and the CLEC's collocation cage and reconnect the loop to the port. Instead, however, SBC has said that it will almost always replace the customer's existing loop with an entirely new loop. Lichtenberg MI Decl. ¶ 63 (Tab 1 to Comments of MCI, WC Docket No. 03-138 (FCC filed July 2, 2003)). That is unacceptable. Replacement of the existing loop may require the customer to wait at home for a technician to connect the new loop to the customer's inside wiring. It may lead to a much more significant period without service than would exist with simple rewiring at the central office, and it exposes the customer to the risk of human error in connection of the new loop. *Id.* ¶ 64. Moreover, if SBC's loop plant has been exhausted in the customer's area, as occurs in a small but not insignificant percentage of cases, the customer may be without dial tone for several weeks. *Id.* ¶ 65. Finally, this process ratchets up CLECs' costs by forcing them to pay for installation of a new loop and, in some instances, by forcing them (or their customers) to absorb the cost of dispatching a technician to connect the customer's inside wire to the new loop. *Id.* ¶ 66. In Michigan, for example, the extra charges appear to include a \$17.82 charge to connect the new loop. *Id.* ¶ 66. For just such reasons, the Department of Justice ("DOJ") recognized the inequity of SBC's disconnect process in its section 271 evaluation in Michigan. DOJ MI Eval. at 11-12 (WC Docket No. 03-138 (FCC filed July 16, 2003)). As DOJ explained, installation of a new loop risks "a significant interruption of voice service." *Id.* at 12.

In addition to requiring installation of a new loop, SBC's process for disconnecting DSL for line splitting customers is deficient because even in Michigan, where the PSC ordered a "single order disconnect process," the CLEC must submit a minimum of two LSRs. It must *fax* an order to remove DSL on the customer's line and must place a separate order to remove the existing xDSL-capable loop (which is really no different than the loop that will unnecessarily replace it). The requirement to submit multiple orders and fax one of these orders significantly complicates the ordering process for CLECs. This Commission has long recognized the problem of requiring faxed orders, and this problem is even worse when the CLEC must submit two separate orders and track these orders in its systems. Lichtenberg MI Decl. ¶ 60.

Because SBC's disconnect process is so poor, MCI is not submitting disconnect orders to SBC. Instead, when a customer requests that his DSL service be disconnected, MCI stops billing the customer for DSL, but the loop remains connected to the splitter in MCI's collocation cage. As a result, SBC continues to charge MCI almost \$2 more per month (in Michigan, which is not atypical) for an "xDSL capable" loop, rather than an ordinary loop. That is a substantial difference in price (especially since the loops are actually identical). Moreover, because the loop

is still connected to MCI's splitter, MCI is wasting valuable capacity on the splitter. MCI is already close to capacity on some of its splitters only several months after launching line splitting. Finally, the fact that the loop remains connected to the splitter complicates the process to place supplemental orders, such as orders to change features, and also complicates the process for maintenance and repair. Lichtenberg MI Decl. ¶¶ 67-68. SBC's process is therefore purely anti-competitive. It forces CLECs and their customers to absorb costs and face problems that are entirely unnecessary and that are not faced by SBC's retail customers. Retail customers can drop DSL on their lines with no need for a new loop. As a result, they do not face any of the problems faced by line splitting customers who decide to drop DSL. Lichtenberg IL-IN-OH-WI Decl. ¶ 8. But in the SBC region, CLEC customers can only retain their existing loop if the CLEC adopts a work-around process with substantial attendant costs.

Second, SBC's process is equally flawed for line splitting customers who migrate back to SBC. Although an SBC retail customer with DSL cannot migrate to a CLEC until the CLEC (or the customer) disconnects the DSL, SBC will migrate a CLEC line splitting customer back to SBC without the placement of a disconnect order, making it easier for customers to migrate back to SBC than to leave SBC.⁴ Moreover, after the migration back to SBC, SBC says that it leaves the existing loop with DSL service in place. As a result, SBC continues to bill the CLEC for the DSL loop until the CLEC places a disconnect order. This is so even though the customer already has migrated back to SBC and thus has no intention of using DSL on a second line that has no voice service. Furthermore, in order to send the disconnect order, the CLEC must first discern from SBC's line loss reports that a line splitting customer has left it but the loop remains up. This will require CLECs to develop new software to read the relevant information that ostensibly is on SBC's line loss reports – a fact that was not even conveyed to CLECs until MCI raised the issue. SBC has no similar problems when a line sharing customer migrates to a CLEC because the DSL must be disconnected first. Lichtenberg IL-IN-OH-WI Decl. ¶¶ 8-10.

Third, SBC does not permit CLEC customers to include a DSL line in a "hunt group" that also contains non-DSL lines. This is particularly important for small business customers who frequently have hunting and want to include all their lines in their hunt group. SBC's process precludes a customer with three lines (for example), including one line-split DSL line, from setting up its phones so that a call rolls over to the third line if the first two lines are busy. By contrast, an SBC customer with DSL can include the DSL line in a hunt group. This is plainly discriminatory. Lichtenberg MI Reply Decl. ¶ 17 (Tab 1 to Reply Comments of MCI, WC Docket No. 03-138 (FCC filed July 21, 2003)).⁵

Fourth, SBC's line splitting process is also flawed at the ordering stage. SBC does not have a process that enables CLECs to order DSL for their customers at the same time they place

⁴ If the customer wants to leave the CLEC for another CLEC, however, SBC intends to require that the customer first disconnect DSL. (For now, SBC is not rejecting such orders even when the customer has not disconnected DSL, but this is only because of an announced software flaw.) Lichtenberg IL-IN-OH-WI Decl. ¶ 7.

⁵ In a July 30, 2003 *ex parte* letter filed at the FCC in the Michigan proceeding, SBC suggests several possible solutions to the hunting problem. None is workable. Lichtenberg IL-IN-OH-WI Decl. ¶¶ 5-6.

their initial UNE-P migration orders, which forces CLECs to submit migration orders for UNE-P and then to submit line splitting orders. Lichtenberg MI Reply Decl. ¶ 10. Moreover, SBC's versioning process requires CLECs to be on the exact same version of EDI as their DLEC partner, down to the dot release, before the DLEC can submit line splitting orders on behalf of the CLEC. This makes it more difficult for the CLEC to find DLECs with whom to partner. Lichtenberg MI Decl. ¶ 51.⁶

When the CLEC does submit a line splitting order, SBC treats the order for line splitting as orders for separate unbundled elements – a loop and a port – rather than as a change to a UNE-P arrangement. As a result, CLECs have to pay the non-recurring charges associated with installation of a new loop when no new loop is needed (and when SBC does not in fact install a new loop),⁷ and CLECs must also follow a much more complex process to submit troubles. Finally, SBC's process for updating the E911 database remains a mystery. SBC has transmitted letters to CLECs informing them that they have responsibility for updating the E911 database in certain circumstances, but it still is unable to answer basic questions about this process in meetings with MCI. It cannot provide an example of when a CLEC would have to submit an LSR to update the E911 records (other than the strange example provided in the Accessible Letter), nor can it tell MCI what sort of LSR it would have to submit. Moreover, SBC has not provided CLECs with any visibility into the E911 database on line splitting orders, so CLECs cannot check whether the E911 database is correct for their customers. Lichtenberg MI Reply Decl. ¶¶ 34-38. This is especially worrisome now that SBC has acknowledged making a number of errors with E911 records on AT&T orders. SBC's July 30 *ex parte* letter (WC Docket No. 03-138) at 4.

Thus, SBC's line splitting processes are clearly deficient and discriminatory, and SBC appears to have given them little thought. And while the line splitting processes of other ILECs are better, MCI agrees with Covad that the ILECs have not achieved the nondiscriminatory OSS needed to adequately support line splitting.

Respectfully submitted,

/s/

Kimberly A. Scardino

cc: Christopher Libertelli
Matthew Brill
Jessica Rosenworcel
Dan Gonzalez

⁶ SBC has agreed to two solutions for this versioning problem but neither will be implemented until at least March 2004. Lichtenberg MI Reply Decl. ¶¶ 11-13.

⁷ In Michigan, for example, the non-recurring charges for line splitting, include the \$17.82 connection charge associated with installation of an entirely new loop. Lichtenberg MI Decl. ¶ 59. And for trouble reporting, CLECs must isolate the trouble to either the loop or the port and must then include added information on the trouble ticket. Lichtenberg MI Decl. ¶ 58.

September 5, 2003

Page 5

Scott Bergmann

Bill Maher

Jeff Carlisle

Michelle Carey

Tom Navin

Brent Olson